

ORDINANCE NO. 5563

ORDINANCE AMENDING CHAPTER 25, ARTICLE III, SECTION 25-31 OF THE CODE OF
ORDINANCES REGARDING INVESTMENT OF TRUST FUND

WHEREAS, the existing City Code of Ordinances, Chapter 25, Article III, Section 25-31(b) authorizes and empowers the pension investment committee to invest and reinvest the principal and income of the trust fund, and

WHEREAS, it is deemed appropriate and in the best interest of the citizens and in the best interest of the trust fund to amend Section 25-31(b) pertaining to increasing the limit on real estate investments so as to not exceed ten (10) percent of the total trust fund portfolio.

SECTION 1. NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, that Chapter 25, Article III, Section 25-31(b) be deleted and a new Section 25-31(b) is adopted to read as follows:

(b) The Committee shall be authorized and empowered to report and make recommendations to the Pension Board to invest and reinvest the principal and income of the trust fund in any and all stocks (common or preferred), bonds, mutual funds, notes, debentures, mortgages, equipment, trust certificates and in other evidences of indebtedness or ownership and such other property, real or personal, investments and securities of any kind, class, character or location, as well as in units of any commingled, collective, common pooled or mutual trust fund, savings accounts, certificates of deposit and time deposits of a bank described pursuant to section 25-32; provided that the total sum invested in common stocks, convertible bonds or debentures shall not exceed sixty-five (65) percent of the total trust fund; and further, provided, that all investments shall be of a quality grade, all commercial class 'A' or comparable; and provided, further, that the total real estate investments shall not exceed ten (10) percent of the total trust fund portfolio; and shall be limited to commingled pools in corporate institutions showing an annual corporate real estate inventory of at least five

million dollars (\$5,000,000); with all such holdings of real estate or property to be of declared legal status in the United States; and to keep in its discretion, such portion of the trust fund in cash or cash balances as the comptroller may from time to time deem to be in the best interest of the trust fund.

SECTION 2. BE IT FURTHER ORDAINED, that provisions of this Ordinance are hereby severable. If any of these sections, provisions, sentences, clauses, phrases, or parts are held unconstitutional or void, the remainder of this Ordinance shall continue in full force and effect.

SECTION 3. BE IT FURTHER ORDAINED BY THE COUNCIL OF THE CITY OF MEMPHIS, that this ordinance shall take effect from and after the date it shall have been passed by the Council signed by the Chairman of the Council, certified and delivered to the Office of the Mayor in writing by the Comptroller, and become effective as otherwise provided by law.

Chairman of Council

ATTEST:

Comptroller

THE FOREGOING ORDINANCE
5563 PASSED

1st Reading 8-19-14

2nd Reading 9-2-14

3rd Reading 10-21-14

Approved: [Signature]

Chairman of Council

Date Signed: 11-4-14

Approved: [Signature] 11/11/14

Mayor, City of Memphis

Date Signed: [Signature]

I hereby certify that the foregoing is a true copy, and said document was adopted by the Council of the City of Memphis as above indicated and approved by the Mayor.

Valerie C. Snipes
Comptroller